Dockers

100CKET FILE GOTT DURE ME RAL COMMUNICATIONS COMMISSION WASHINGTON, D.C, 20554

IN REPLY REFER TO:

RECEIVED

CN9303977

Honorable Richard C. Shelby United States Senate 509 Hart Senate Office Bldg. Washington, DC 20510-0103

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Dear Senator Shelby:

This responds to your letter of September 28, 1993, addressing the 2 GHz Personal Communications Services (PCS) proceeding, GEN Docket No. 90-314. Your constituent, Arnell I. Hopper, President of Hopper Telecommunications Company, Inc., expresses support for a PCS licensing structure that permits licensing of small and rural telephone systems under an auction regime.

On September 23, 1993, the Commission adopted final rules to govern PCS as well as a Notice of Proposed Rule Making seeking comment on auction rules that would be used to select PCS licensees. The Commission allocated a total of 120 megahertz of spectrum for licensed PCS and permitted telephone companies without cellular interests to aggregate up to 40 megahertz of this spectrum (the maximum authorized any licensee). Telephone companies with cellular interests will be restricted to 10 megahertz in a PCS service area in which they own twenty or more percent of a cellular company, if the cellular company serves 10 or more percent of the population of the PCS service area. Local exchange carriers are permitted to apply for PCS licenses on the same basis as other applicants, except insofar as they hold interests in cellular operations.

The Commission adopted 492 local service areas based on Basic Trading Areas (BTAs) and 51 regional service areas based on Major Trading Areas (MTAs). The 120 megahertz is divided into two 30 megahertz MTA blocks, one 20 megahertz BTA block, and four 10 megahertz BTA blocks. The Commission's licensing scheme will result in from three to seven licensees in each area, depending on aggregation in the auction process. In a companion Notice of Proposed Rule Making, PP proposed licensing preferences in one 20 megahertz and one 10 megahertz frequency block for rural telephone companies, small businesses, and businesses owned by minorities and women.

The Commission's decisions addressing PCS are designed to foster competition among PCS providers and between PCS providers and cellular radio operators and to ensure expeditious provision of PCS in both urban and rural areas. I am attaching the press releases for the dockets addressed above that more fully describe the Commission's actions.

Sincerely,

Thomas P. Stanley Chief Engineer

Enclosures

## RICHARD SHELBY

COMMITTEE ON ARMED SERVICES

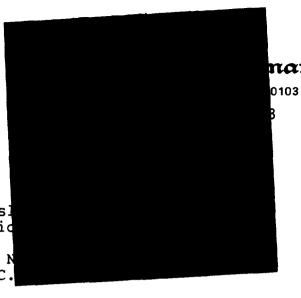
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SPECIAL COMMITTEE ON AGING

509 HART BUILDING WASHINGTON, DC 20510-0103 (202) 224-5744

> Director Office of Legisl Federal Communic Room 808 1919 M Street, N Washington, D.C.



STATE OFFICES:

☐ 1800 FIFTH AVENUE NORTH 321 FEDERAL BUILDING BIRMINGHAM, AL 35203 (205) 731-1384

☐ HUNTSVILLE INTERNATIONAL AIRPORT 1000 GLENN HEARN BOULEVARD BOX 20127 HUNTSVILLE, AL 35824 (205) 772-0460

☐ 113 ST. JOSEPH STREET 438 U.S. COURTHOUSE MOBILE, AL 36602 (205) 694-4164

15 LEE STREET
B2BA U.S. COURTHOUSE
MONTGOMERY, AL 36 104
(205) B32-7303

1118 GREENSBORO AVENUE ROOM 240 U.S. COURTHOUSE TUSCALOOSA, AL 35401 (205) 759-5047

Dear Director:

I am enclosing a copy of a letter I received from Mrs. Arnell I. Hopper.

Any information you may have regarding this matter would be appreciated in order that I may be able to respond to my constituent's inquiry. PLEASE REPLY, IN DUPLICATE, TO THE ATTENTION OF MY STAFF MEMBER, TOOF BROWN, USING THE NAME OF THE ABOVE-MENTIONED CONSTITUENT IN YOUR CORRESPONDENCE.

Thank you for your prompt assistance to this matter.

Sincerely,

Richard Shelby

RCS/stb Enclosure



## HOPPER TELECOMMUNICATIONS COMPANY, INC.

P. O. BOX 10
WALNUT GROVE, ALABAMA 35990-0040 SEP - 1 (1) 9: 35

August 31, 1993

The Honorable Richard Shelby U. S. Senate 313 Hart Building Washington, D. C. 20510

Dear Seantor Shelby.

I am writing to ask you to contact Federal Communications Commission Chairman James H. Quello and Commissioners Andrew C. Barrett and Ervin S. Duggan strongly encouraging them to fully achieve the objectives of the recently passed budget reconciliation law by ensuring that small and rural telephone systems are able to provide new services, such as PCS, under an auction regime.

The budget reconciliation law requires the FCC to enusre new technologies are rapidly deployed in rural areas. It also requires that licensed be distributed to a wide variey of applicants, including rural telephone companies.

Small and rural telephone systems are best situated to assure new services and technologies reach rural subscribers. They have a proven track record of delivering state-of-the art technologies to their subscribers in rural america. Please urge the FCC to ensure that we can continue to do so.

Sincerely,

HOPPER TELECOMMUNICATIONS COMPANY, INC.

President

AIH/mmm